THE EXCHANGE

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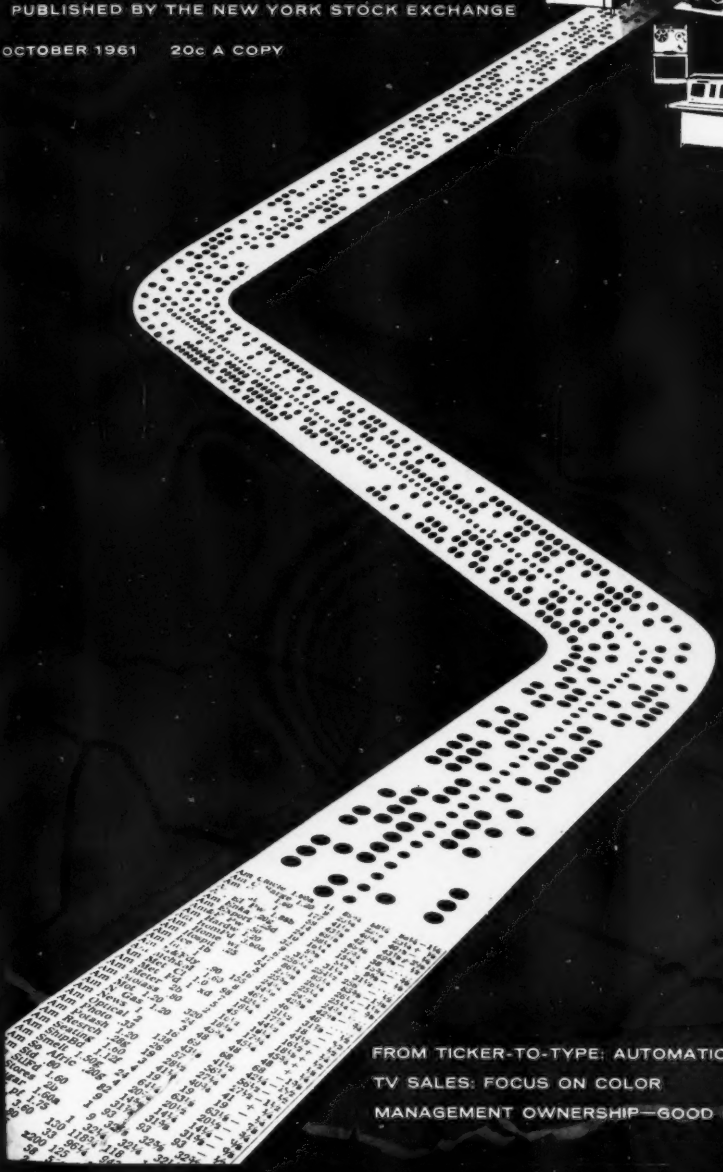

FROM TICKER-TO-TYPE: AUTOMATICALLY

TV SALES: FOCUS ON COLOR

MANAGEMENT OWNERSHIP—GOOD OR BAD?

WHAT IT TAKES TO RAISE CAPITAL

IT costs a corporation money to raise money—and from the shareowners' viewpoint, the less it costs the better.

Just as any other business expense, the cost of raising capital affects earnings, dividends and the market price of a company's stock. Obviously, the shareowner has a legitimate interest in keeping the cost of financing as low as possible.

The Stock Exchange has just completed an analysis of 245 issues of common stock newly offered to the public in 1958, 1959 and 1960. The 245 companies sold almost $2.4 billion in common stock—86 of the companies were listed on the Exchange. 159 were not on the "Big Board."

The study showed conclusively that companies listed on the Exchange enjoyed a substantial savings in underwriting costs as compared with non-listed companies—*by a margin of well over 2 to 1.*

In other words, for every $100 of new capital received from the sale of common stock in 1958-59-60, Exchange-listed companies paid underwriters an average of $2.79—*but,* non-listed companies paid an average of $6.87.

To put it in larger terms: For every one million dollars raised through new common stock, the underwriting cost of Exchange companies was lower on average by $40,800 annually for the three-year period.

(The underwriter is usually the middleman in the sale of a new stock issue. He may pay the corporation, say, $950,000 for stock which he hopes to sell for $1,000,000. The $50,000 difference is the underwriting fee.)

Two highlights of the study:

1. 57 of the 86 Exchange-listed companies which issued common stock paid less than 4 per cent to the underwriters. Only 39 of the 159 non-listed companies, though, paid less than 4 per cent to the underwriters.

2. Only three Exchange companies paid underwriters 8 per cent or more—but 52 non-listed companies paid 8 per cent or above.

Why should listed companies deserve lower underwriting costs? In a nutshell—marketability. A broad active market, a well-known company, the prestige of an Exchange listing—these are major factors an underwriter considers when he weighs the risk involved in marketing a new issue.

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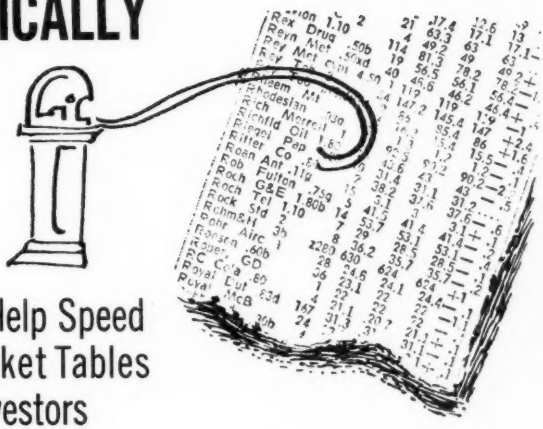
TICKER-TO-TYPE: AUTOMATICALLY



Computer to Help Speed AP Stock Market Tables to Nation's Investors

By NATE POLOWETZKY
General Business Editor
The Associated Press

THE task of tabulating, transmitting and setting into type the thousands of figures and symbols that go into the daily stock market tables can only be compared to the reporting of a general election.

It is a gigantic, complex task, done daily with a minimum of fanfare. In 1951 The Associated Press took a major step forward when it established a Teletypesetter stock market service with which newspapers using automatic typesetting machines could automatically set the tables into type.

And by December of next year the AP will inaugurate a new automated system employing a computer and other data processing equipment which will tabulate and prepare for wire transmission the complete report of all transactions on the nation's major securities markets. The operation, one of several to be linked to the computer system, will prepare tape of the full stock tables in 3½ minutes. The tape, received by wire in the newspaper plants, will automatically operate linecasting machines that will set the tables.

This new system, developed jointly

Mr. Polowetzky, a veteran of 17 years with the Associated Press, was named General Business Editor last June. Twelve of those years were in foreign service, including Korea, Cairo, Iran, London and Tokyo.

by the AP and the International Business Machines Corp., will perform a task which by present methods is carried out manually by a large staff of tabulators and Teletype operators.

The application of modern computers to this tedious task will provide an extra "dividend" to the millions of shareowners who follow their investments through newspaper market tables.

The speed with which these tables will be prepared will enable those newspapers that take AP service and that publish during the hours the markets are open to include later transactions. Automation may also enable more newspapers to carry the full lists and still meet rigid deadlines.

While stock tables are amazingly accurate now, the use of a computer system will make it possible to report the thousands of figures and symbols with almost infallible accuracy.

For many newspapers using automatic typesetting machines the entire operation will be automatic from ticker to type—from the time sales are reported on the tickers at the AP until the intricate columns are set in type, ready for the printing process, in newspaper composing rooms throughout the nation.

Four types of IBM data processing equipment will be used in the new system: The paper tape reader, the 1620 solid-state (transistorized) computer, a computer memory unit in which information on previous sales and prices is stored, and high-speed 4,500 words per minute tape-perforating units.

Here is how the new system will operate:

Information on sales in the various financial centers—the New York Stock Exchange, the Exchange's bond market, the American and Midwest Exchanges—will be "read" into the computer at speeds up to 10,000 words a minute.

The computer will automatically update the status of each stock traded, calling upon the memory file for previous prices, sales and other data. With this information it will compute net changes, highs, lows and other information vital to investors.

On command from the operator at the keyboard, the computer will feed the entire alphabetical list, with every stock updated, into the tape perforator. In one minute the tape perforator will be able to punch out the full list for transmission over wires to newspapers. This includes all the data in the columns as they appear in the newspapers—the name or abbreviation of the issues traded, the dividend paid, sales, high, low, last price, and net change. A similar list for transmission over AP's High-Speed Teletypesetter wire will be punched in 3½ minutes. These lists will all begin moving out to subscribing newspapers almost simultaneously with the close of the tickers. Punching of the High-Speed table by manual methods requires 25 minutes and employs 12 Teletypesetter operators.

The IBM 1620 computer reacts to errors with almost human qualities. If a ticker sends through obviously erroneous information—a garbled name of stock, a wildly fluctuating price or sales total—the computer will

type out a message on a typewriter integrated into its operation. The operator then can type out instructions to the computer as to how this error should be handled.

Computer preparation of transmission tapes will enable AP to increase the number of times it sends out stock tables daily, if this becomes advantageous in the future. The stock tables of the three Exchanges now are transmitted seven times daily.

In addition to speeding up the collection and tabulation of the mass of statistics, AP is planning to introduce new high-speed transmission facilities which are under development by ourselves, American Telephone & Telegraph Co. and Western Union Telegraph Co.

Probably no daily fixture carried by newspapers has required as much time and manpower in preparation as the stock tables. More than a score of tabulators pore over incoming printed ticker tapes, watching for particular stocks in their list, penciling in changes on sheets in front of them and computing mentally net changes and other data. At frequent intervals the tabulator sheets are collected and the lists punched for transmission.

Newspapers, too, have had to surmount many mechanical problems in getting the lists in type before deadlines, sometimes using as many as 25 linecasting machines to complete them on schedule.

This problem was eased for some newspapers in 1951, when the AP established the first Teletypesetter stock table wire. Lists arrive in newspaper composing rooms on perforated tape which is fed into linecasting machines, automatically setting type. This service is still in use and serves many morning papers that take closing lists at the end of the financial day.

Probably the greatest difficulty in keeping up with the lists falls to afternoon newspapers, which go to press during hours when the markets are open and prices changing. A few newspapers, including two in New York City, solve this problem with amazing speed by continually revising type by hand—a highly expensive operation.

To meet the problems of other afternoon newspapers, AP introduced its multiwire High-Speed Teletypesetter Stock System in July of 1959. This service, since expanded from four to six high-speed wires, moves the lists at the combined speed of 400 words per minute, and is fast enough that the full lists can be sent at frequent intervals each day, with latest prices incorporated.

In addition to these systems, AP also supplies the tables to newspapers over regular Teletype—we call it the gummed-tape circuit. Newspapers taking this service receive the data on printed ticker tape and, following a code system, paste it on prearranged forms. Lists received this way are set into type manually by the individual newspapers.

According to a survey by the Exchange, the AP serves 97 per cent of the daily newspapers which publish the complete "Big Board" list. We at the AP believe that this new system will provide millions of shareowners with the fastest and most accurate data available anywhere in the world.

MANAGEMENT OWNERSHIP— GOOD OR BAD?

How much stock should the management of a company hold in the concern? Five per cent. 10 per cent, 20 per cent? Or, perhaps, even more or less than these amounts?

Like so many other aspects of the securities market, no one answer is likely to satisfy all shades of opinion.

One major school of thought holds that the size of management's ownership is a measurement of its confidence in the company's future.

Some investors feel that management—officers and directors—should be compelled to own a minimum number of shares in the company whose affairs they direct. In other words, they take a more personal interest in the affairs of their company.

Another school of thought holds that officers and directors should be selected for the contribution they can make to the company without regard to ownership as a measure of competence.

For obvious reasons, management ownership of the larger corporations is generally relatively small—percentagewise. For example, management of a large company which has 100 million shares outstanding might own a low relatively low proportion of the common stock. However, on a dollar basis this might represent a tidy stake in the company.

Also, in the case of older companies which might at one time have been family-controlled, ownership may have become more widespread over the years.

A review of available information on the subject discloses that management of companies listed on the Exchange quite frequently has substantial holdings in the companies with which they are associated.

The study based on information in Standard & Poor's Listed Stock Reports uncovered data on management ownership of 245 listed companies—almost one-fourth of all companies whose shares are traded on the Exchange. It should be stressed that while the sampling is quite extensive, these companies are not purported to be representative of all the corporations listed on the Exchange.

As of earlier this year, management ownership of the outstanding common stock of these 245 companies broke down in this fashion:

12 companies—less than 10%
76 companies—10% to 19%
57 companies—20% to 29%
10 companies—30% to 39%
25 companies—40% to 49%
35 companies—50% and over

The table on the next pages lists these 245 companies, the number of shares outstanding and the percentage of common stock held by direct and indirect management interests—directors, officers, and family interests (estates, trusts and foundations).

DIRECT OR INDIRECT MANAGEMENT OWNERSHIP INTEREST* IN 245 NYSE LISTED COMPANIES

Company	Shares Outstanding	Per Cent Owned by Management*
A		
ABC Vending	1,247,868	12
ACF-Wrigley Stores	4,052,964	50
Addressograph Corp.	6,451,834	13
Admiral Corp.	2,407,136	33
Aeroquip Corp.	1,242,919	25
Air Control Products	1,326,656	49
Allen Industries	844,738	17
Amalgamated Sugar	2,071,647	16
American Consumer Ind.	332,267	40
American Molasses	579,751	30
Anderson, Clayton	3,240,296	34
Archer-Daniels-Midland	1,589,315	19
Aro Equipment Corp.	595,466	21
Automatic Canteen	5,951,327	20
Avnet Electronics	2,035,546	45
B		
B. T. Babbitt, Inc.	1,252,430	40
Basic Products Corp.	1,303,653	50
Bayuk Cigars, Inc.	681,600	18
Beech Aircraft Corp.	2,704,626	16
Beech-Nut Life Savers	3,215,292	11
Bigelow-Sanford	1,022,410	21
Bond Stores	1,688,383	11
Book-of-the-Month Club	917,990	60
Borman Food Stores	1,205,553	53
Brown Shoe	1,857,319	9
Buffalo Forge	649,572	22
Bulova Watch	1,949,286	27
Burndy Corp.	1,171,626	35
C		
Callahan Mining	2,535,548	25
Campbell Soup	11,123,072	65
Carey Manufacturing	1,017,791	19
Carter Products	2,599,500	52
Celanese Corp.	7,334,897	8
Central Foundry	672,079	16
Central Soya	2,792,643	17
Chadbourn Gotham, Inc.	2,161,937	18
Champion Spark Plug	6,064,860	63
Chesapeake Corp.	1,213,345	18
Chock Full O'Nuts	3,427,940	28
Cincinnati Milling	1,710,840	11
Coca-Cola Bottling (N. Y.)	2,333,630	38
Collins & Aikman	528,600	15
Collins Radio	2,205,170	25
Columbia Broadcasting	8,641,104	11
Columbia Pictures	1,391,602	25
Cone Mills	3,444,511	36
Consolidated Cigar	1,359,338	13
Consolidated Foods	3,366,111	10
Consolidated Laundries	579,890	27
Continental Copper	1,983,040	7
Controls Company	1,263,826	14
Corning Glass Works	6,754,600	53
Coty, Inc.	1,606,246	47
Crown Cork & Seal	979,025	20
Cuban-American Sugar	750,000	27
Cudahy Packing	1,525,313	19
Cuneo Press, Inc.	1,059,748	67
Cunningham Drug Stores	385,119	25
D		
Dana Corp.	5,019,349	16
De Vilbiss Co.	734,955	36
Diners' Club	1,395,087	45
Disney, Walt	1,626,023	47
Distillers Corp.-Seagrams	8,725,750	39
Divco-Wayne	768,071	29
Dover Corp.	1,254,644	6
Duplan Corp.	978,473	25
E		
Edison Brothers Stores	978,387	25
Ekco Products	1,329,914	10
Elastic Stop Nut	591,921	23
Emerson Radio	2,119,821	30
Eversharp	1,054,316	15
F		
Factor, Max	1,031,582	61
Fawick Corp.	961,000	54
Federal Paper Board	1,172,822	15
Firestone Tire	26,976,405	25
First Charter Financial	6,533,500	50
Firth Carpet	563,575	30
Food Fair Stores	5,466,764	35
Food Giant Markets	1,534,669	25
Food Mart	861,258	31
Foremost Dairies	7,778,388	13
Franklin Stores Corp.	779,343	54
G		
Gamble-Skogmo	2,652,325	38
Gardner-Denver	2,267,503	8
General American Oil	3,437,625	49
General Controls Co.	958,093	18
General Finance Corp.	1,188,151	50
General Instrument	2,415,523	20
General Portland Cement	5,335,051	11
General Tire	5,336,791	8
Gerber Products	4,246,918	25
Getty Oil	15,987,228	80
Gimbel Bros.	1,954,600	19
Gladding, McBean	1,702,093	12
Glen Alden	5,623,465	37
Gould-National Batteries	1,736,973	20
W. T. Grant Co.	5,755,526	45
Grayson-Robinson Stores	765,245	32
Great A&P Tea Co.	22,960,675	74
Gulf Oil	103,143,335	6
H		
Harsco Corp.	2,996,254	11
Hart, Schaffner & Marx	886,195	16
Hat Corp. of America	853,598	35
H. J. Heinz	5,091,552	10
Hercules Motors	355,000	16
Hershey Chocolate Corp.	2,403,406	70
Hoffman Electronics	1,529,254	20
Holland Furnace	702,184	35
Holly Sugar	677,981	18
Holt, Rinehart & Winston	3,419,549	25
Honolulu Oil	3,746,972	15
Hoover Ball & Bearing	1,284,312	23
Hotel Corporation	2,694,795	20
Hudson Bay Mining	2,757,973	17
Hunt Foods	4,433,042	35
I		
International Rectifier	2,405,748	46
International Salt	480,000	10
International Shoe	3,398,022	10
I-T-E Circuit Breaker	1,286,684	19
J		
Johnson & Johnson	5,934,034	59

Company	Shares Outstanding	Per Cent Owned by Management*
K		
Kayser-Roth	2,767,771	24
Kellogg Co.	8,905,805	51
Kellogg, Spencer	1,250,000	19
Kendall Co.	2,028,220	38
Kerr McGee Oil	6,076,992	43
Koppers	2,246,977	26
E. J. Korvette, Inc.	1,310,667	33
S. H. Kress	2,375,624	42
Kroehler Mfg.	1,020,000	46
L		
Lane Bryant	844,050	22
Lear, Inc.	2,762,214	17
Lehigh Valley Industries	4,648,967	29
Lehn & Fink	1,129,899	18
Lionel Corp.	1,135,555	16
M. Lowenstein & Sons	2,840,661	40
Lukens Steel	953,928	38
Lykes Bros. Steamship	3,800,000	70
M		
Magnavox	2,371,382	10
P. R. Mallory	1,469,743	15
Manhattan Shirt	423,345	18
Manning, Maxwell & Moore	785,290	18
Marquette Cement	3,350,158	24
J. W. Mays	920,235	41
Maytag	3,280,229	18
MCA, Inc.	3,995,735	85
McDermott & Co.	2,592,252	15
McDonnell Aircraft	3,426,357	14
McGraw-Hill Publishing	9,222,996	40
Melville Shoe	2,790,458	11
Mercantile Stores	1,473,909	40
Mergenthaler Linotype	2,537,820	30
Mesta Machine	987,979	10
Minnesota Mining	51,325,274	32
Morrell & Co.	1,123,215	14
Motorola	4,028,652	25
G. C. Murphy	2,120,000	12
N		
National Airlines	1,851,823	11
National Linen Service	2,234,214	24
National Sugar	663,618	11
Natomas	3,181,635	29
Neisner Brothers	629,553	55
Neptune Meter	1,047,024	14
J. J. Newberry	1,810,719	45
Northwestern Steel	2,502,113	78
O		
Olin Mathieson	13,388,650	19
Olin Oil & Gas	2,829,628	33
Outboard Marine	7,876,667	25
Oxford Paper	1,006,434	23
P		
Pacific American Corp.	376,868	20
Pennsylvania Glass Sand	1,771,380	25
Dr. Pepper Co.	674,300	20
Pet Milk Co.	1,386,183	62
Phillips-Van Heusen	1,221,630	29
Piper Aircraft	1,072,393	10
Pittsburgh Coke	1,162,600	34
Pittsburgh Steel	1,568,595	25
Plough	1,335,441	12
Plymouth Oil	2,646,592	31
Polaroid	3,871,830	20
Publicker Industries	3,988,850	55
R		
Reichhold Chemicals	3,894,839	47
Reliable Stores Corp.	585,559	50
Republic Corp.	2,004,190	16
Riegel Paper	1,683,801	16
Ritter Co.	1,177,662	43
Rohm & Haas Co.	1,139,330	52
Ronson Corp.	1,486,990	14
Royal Crown Cola	1,105,331	14
Rubbermaid, Inc.	1,436,450	53
Jacob Ruppert	495,815	40
S		
Sangamo Electric	1,622,636	27
Seagrave Corp.	220,823	26
Sealright-Oswego Falls	674,778	34
Frank G. Shattuck	1,110,162	45
Signode Steel Strapping	3,025,493	32
Simonds Saw	497,000	12
Simplicity Pattern	749,381	8
Smith-Douglass Co.	954,216	22
Smith Kline & French	14,641,504	34
Spartans Industries	607,690	29
Spencer Chemical	2,724,831	16
Standard Kollsman	2,078,566	21
Sterchi Bros. Stores	596,216	20
J. P. Stevens	4,186,760	15
Stix, Baer & Fuller	666,111	25
Stokely-Van Camp	1,866,638	21
Sun Chemical	1,373,106	23
Sun Oil	13,046,590	24
Superior Oil Co.	421,800	51
Sweets Co.	264,000	10
T		
James Talcott	1,242,050	18
Texas Instruments	3,935,471	30
Textron Inc.	4,672,429	7
Timken Roller Bearing	5,327,036	43
Tishman Realty	2,136,543	38
Trane Co.	2,664,472	25
Transitron Electronic	7,502,500	70
Transue & Williams	163,955	31
Tung-Sol Electric	924,928	7
U		
Union Twist Drill	641,121	10
United-Greenfield	1,582,727	30
U. S. Hoffman Mach.	2,363,414	35
U. S. Shoe	1,131,203	18
U. S. Vitamin	1,909,110	35
United Whelan	1,430,189	23
Universal Match	4,516,943	18
Upjohn Company	14,057,578	59
V		
Van Raalte	923,238	7
Vendo Company	2,615,172	54
Va.-Carolina Chemical	523,709	32
Vulcan Materials	5,603,188	36
W		
Walgreen	1,381,275	15
Wallace & Tiernan Inc.	3,685,676	61
Ward Baking	815,949	16
Warner Bros.	1,527,900	30
Welbilt Corp.	4,443,735	69
West Kentucky Coal	857,264	40
White Dental Mfg.	390,692	12
White Stores	961,926	45
Wilson-Jones	328,396	5
Windsor Industries, Inc.	1,029,161	55
Winn-Dixie Stores	12,710,000	28
Woodward Iron Co.	2,494,673	31
Wm. Wrigley Jr.	1,968,484	35
Wyandotte Worsted	594,700	10

* Includes Family and Estates, Family Trusts or Foundations, and Management (Officers and Directors).

HOW MUCH FOR ADVERTISING?

WHAT percentage of sales do giant corporations spend on national advertising?

The answer depends largely on the type of product the company makes plus a host of other factors such as the introduction of new lines, a major marketing campaign or the competition, to name a few.

Last year American Telephone & Telegraph Co. spent only .1 of one per cent of its revenues for advertising. On the other hand, advertising expenditures of Bristol-Myers Co., a drug maker, accounted for 27.3 per cent of sales, tops for the 25 largest listed advertisers.

Total 1960 national advertising outlays by the 25 biggest advertisers among companies listed on the "Big Board" represented only 2.5 per cent of their sales and revenues, down from 2.6 per cent in 1959.

This study is based on a survey of advertising outlays by *Advertising*

Age. The figures on advertising in the accompanying table were compiled and copyrighted by *Advertising Age* and are used with the permission of that magazine. Other material in the table was prepared by THE EXCHANGE Magazine.

The 25 companies had total advertising outlays of $1,365,500,000 in 1960, an increase of only 1.5 per cent from 1959. Their expenditures accounted for slightly over half of the record $2.6 billion spent by the top 100 national advertisers as compiled by *Advertising Age*.

General Motors once again topped the list of advertisers with outlays of $168.5 million, a rise of 8.7 per cent over 1959. GM was followed by Procter & Gamble, General Foods,

25 Listed Companies which topped all others last year

Company	Estimated Total Expenditures For National Advertising* (in millions) 1960	1959	Per Cent Change	Sales or Revenues (in millions) 1960	1959
General Motors Corp.	$ 168.5	$ 155.0	+ 8.7%	$12,736.0	$11,233.1
Procter & Gamble Co.	127.0	123.0	+ 3.3	1,541.9†	1,441.5†
General Foods Corp.	110.0	103.0	+ 6.8	1,160.2†	1,087.1†
Ford Motor Co.	90.5	92.2	— 1.8	5,237.9	5,356.9
General Electric Co.	73.0	77.0	— 5.2	4,197.5	4,349.5
Amer. Home Products Corp.	65.0	62.0	+ 4.8	446.5	420.8
Colgate-Palmolive Co.	59.0	70.0	—15.7	576.3	582.0
Chrysler Corp.	56.9	60.9	— 6.6	3,007.0	2,643.0
Reynolds (R.J.) Tobacco Co.	50.0	49.0	+ 2.0	1,418.3	1,286.9
National Dairy Products Corp.	43.0	39.0	+10.3	1,667.2	1,605.7
Sears, Roebuck & Co.	43.0	41.0	+ 4.9	4,134.3†	4,036.2†
Bristol-Myers Co.	40.0	38.0	+ 5.3	146.7	131.5
du Pont de Nemours (E.I.) & Co.	39.4	33.2	+18.7	2,142.6	2,114.3
Westinghouse Electric Corp.	38.0	39.0	— 2.6	1,955.7	1,910.7
American Tobacco Co.	36.0	40.0	—10.0	1,215,3(1)	1,161.4(1)
Eastman Kodak Co.	35.5	33.0	+ 7.6	944.8	914.1
General Mills, Inc.	35.5	35.5	—	575.5†	537.8†
Distillers Corp.-Seagrams Ltd.	35.0	37.0	— 5.4	768.2†	731.4†
American Tel. & Tel. Co.	34.8	31.1	+11.9	7,920.5	7,393.0
Warner-Lambert Pharmaceutical	31.5	31.0	+ 1.6	197.9(2)	190.7
Gillette Co. (The)	31.4	29.5	+ 6.4	224.7	209.3
Lorillard (P.) Co.	31.0	32.0	— 3.1	487.3	490.9
Radio Corp. of America	31.0	31.8	— 2.5	1,486.2	1,388.4
Kellogg Co.	30.5	29.5	+ 3.4	256.2	242.4
Liggett & Myers Tobacco Co.	30.0	32.0	— 6.3	543.2(1)	554.9(1)
Totals	$1,365.5	$1,344.7	+ 1.5	$54,987.9	$52,013.5

* Copyright, 1961, by Advertising Age.
† Fiscal year other than calendar year.
(1) Includes excise taxes.

Ford Motors and General Electric—the same order as in 1959. While there were some changes in the rankings, all 25 companies were among the leaders in 1959.

Fourteen of the 25 had higher advertising expenditures in 1960 than they did the previous year, while 10 reduced outlays and one remained unchanged. In the previous year, 23 of the 25 boosted their spending.

While total advertising spending for the 25 was up slightly from 1959, the ratio of such outlays to net income and dividends declined.

National advertising includes sums spent for such media as newspapers, magazines, outdoor billboards, television, radio, direct mail, point-of-purchase and others.

last year in total expenditures for national advertising

Proportion Of Sales Or Revs. Spent On National Advertising		Net Income After Taxes (in millions)		Ratio Of National Advertising Spending To Net Income		Total Cash Common Dividend Payments (in millions)		Ratio Of National Advertising Spending To Common Dividend Payments	
1960	1959	1960	1959	1960	1959	1960	1959	1960	1959
1.3%	1.4%	$ 959.0	$ 873.1	17.6%	17.8%	$ 564.2	$ 561.8	29.9%	27.6%
8.2	8.5	106.6†	98.1†	119.1	125.4	55.1†	49.7†	230.5	247.5
9.5	9.5	66.8†	61.1†	164.7	168.6	34.7†	31.9†	317.0	322.9
1.7	1.7	427.9	451.4	21.1	20.4	164.6**	153.5**	55.0	60.1
1.7	1.8	200.1	280.2	36.5	27.5	175.5	174.3	41.6	44.2
14.6	14.7	48.6	46.7	133.7	132.8	32.5	31.1	200.0	199.4
10.2	12.0	15.9	25.3	371.1	276.7	11.4	10.8	517.5	648.1
1.9	2.3	32.2	5.4d	176.7	—	13.3	8.7	427.8	700.0
3.5	3.8	105.3	90.4	47.5	54.2	48.0	42.0	104.2	116.7
2.6	2.4	50.7	49.4	84.8	78.9	28.2	27.3	152.5	142.9
1.0	1.0	192.2†	198.7†	22.4	20.6	105.4†	105.3†	40.8	38.9
27.3	28.9	10.8	8.9	370.4	427.0	5.4	4.3	740.7	883.7
1.8	1.6	381.4	418.7	10.3	7.9	309.6	320.5	12.7	10.4
1.9	2.0	79.1	85.9	48.0	45.4	41.5	36.2	91.6	107.7
3.0	3.4	62.5	63.2	57.6	63.3	35.5	32.6	101.4	122.7
3.8	3.6	127.1	124.7	27.9	26.5	80.5	69.0	44.1	47.8
6.2	6.6	12.8†	11.5†	277.3	308.7	8.6†	8.1†	412.8	438.3
4.6	5.1	28.4†	27.1†	123.2	136.5	15.5†	15.3†	225.8	241.8
0.4	0.4	1,213.0	1,113.2	2.9	2.8	723.5	688.3	4.8	4.5
15.9	16.3	15.8(2)	16.4	199.4	189.0	8.7	8.3	362.1	373.5
14.0	14.1	37.1	31.2	84.6	94.6	28.0	24.4	112.1	120.9
6.4	6.5	27.4	28.3	113.1	113.1	14.4	14.4	215.3	222.2
2.1	2.3	35.1	40.1	88.3	79.3	15.3	13.9	202.6	228.8
11.9	12.2	21.5	19.3	141.9	152.8	11.1	9.8	274.8	301.0
5.5	5.8	28.7	30.0	104.5	106.7	19.7	22.6	152.3	141.6
2.5	2.6	$4,286.0	$4,187.5	31.9	32.1	$2,550.2	$2,464.1	53.5	54.6

(2) Excludes Cuban subsidiaries.

** Includes Common, Class A stock and Class B stock.

d Deficit.

LP-GAS: the Baby Giant

MARK ANTON
President
Suburban Propane Gas Corporation

IT is likely that most investors would think of "bottled gas" as a fuel for cooking in rural areas and the suburbs—beyond the gas mains.

But they would be only partly right. From a modest start in the mid-Twenties, bottled gas—or, more properly, liquefied petroleum gas or LP-gas—now serves 10 million of the nation's 53 million homes, providing the energy for an impressive list of domestic tasks.

LP-gas is used in the home to heat water, dry clothes, refrigerate food and incinerate trash. And home heating—its most recent household application—has brought us to the era of the all-LP-gas home.

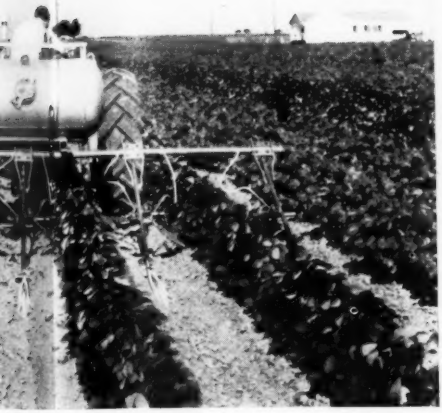
As varied as domestic uses of LP-gas are today, they represent but part of the story. The domestic market accounts for only slightly more than half of the industry's total sales.

DOWN ON THE FARM: Flame culti

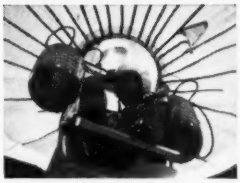
LP-gas is also an efficient, economical workhorse serving both industry and agriculture as a fuel for:

- Internal combustion engines for trucks, buses, taxi fleets, fork-lift trucks and farm tractors.
- Crop drying, tobacco curing, insect control, poultry brooding, plant defoliation, frost protection and flame cultivation.
- Many types of metal heat treating, including production of non-oxidizing atmospheres for annealing for such things as copper, stainless steel and finished machine tools and parts—operations where close control of heat temperature and gas purity is important.

Confusion about what LP-gas does is not really a surprise. Thirty-five



M: Flame cultivator burns away weeds.



"BOTTLED GAS" AT WORK: Industry, transportation and agriculture account for almost half of LP-gas sales. Here (top) fork lift truck fuels up; (left) hot-air reconnaissance balloon with propane heating unit, and oxy-propane metal cutting.

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years ago it was considered worthless —a useless product burned off into the air in the process of producing motor fuel. In 1960, total LP-gas sales approached 10 billion gallons, grossing $1.5 to $2.0 billion, compared with only a billion gallons in 1943. And for the past 15 years, industry sales have increased at a more rapid rate than that of natural gas. Projected sales for 1970 have been estimated at as much as 26 billion gallons —a figure not out of line with our own calculations.

LP-gas refers to a group of paraffin hydro-carbons that are obtained from natural gasoline production and crude oil refining. The best known are *propane* and *butane*. LP-gas is transported as a liquid to the point of usage under pressure in tanks or cylinders. When released, it becomes a gas. Propane—the most important LP-gas —has two and one-half times the heat value of natural gas and just about five times that of manufactured gas.

At the same time, LP-gas is a high octane fuel which burns cleanly without harmful waste products. These properties make it an attractive fuel for internal combustion engines—a market which amounted to almost a billion gallons in 1960. Absence of residue and carbon deposits in cylinders and on rings and pistons means less engine wear. And, because it enters the cylinders as a dry gas instead of a liquid, the lubricating oil stays clean and undiluted.

Fifteen thousand miles without an oil change is common. One LP-gas truck trailer in California has clocked over 1,000,000 miles without a major engine overhaul. Lower maintenance, increased service, and fewer breakdowns have enabled LP-gas to make startling inroads into markets tradi-

Mark Anton founded the predecessor company of Suburban Propane Gas Corp. in 1928 when he built a home in West Orange, New Jersey—then beyond the gas main—and installed "bottled gas." He has been in the LP-gas business ever since as head of the company. Mr. Anton served as a lieutenant in World War I, and in World War II held high positions in the Petroleum Administration for War and the Smaller War Plant Corp. of New Jersey. Active in civic affairs, Mr. Anton was honored in 1957 by the National Conference of Christians and Jews. He is a former member of the New Jersey State Senate.

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tionally reserved for competing petroleum products.

An estimated 500,000 farm tractors and 2,500 buses are now using LP-gas. Although a limited distribution network has restricted passenger car use, it is becoming more and more popular with truck and taxi fleet operators, who fuel up at central locations.

In heavily industrialized areas, plant vehicles, such as fork-lift trucks, represent a booming market. Approximately half the fork-lift trucks manufactured today with internal combustion engines are factory equipped for LP-gas—which burns with a minimum of noxious odors. Suburban Propane increased its motor fuel sales of this type by 34 per cent in 1960 over 1959. Approval of LP-gas fueled vehicles on docks and aboard ships—currently under consideration by the Coast Guard—would considerably increase this almost untouched market.

On the farm, flame cultivation is one of the most important applications of LP-gas. Young weeds are singed just before the crop is due to appear. The searing flame not only clears the surface, but also makes the underground weed seeds sterile, thus preventing germination.

New uses for LP-gas are churned out faster than they can be tested and applied. A one-man, propane-fueled helicopter has been developed, and a recent return to the hot-air reconnaissance balloon featured a propane heating unit.

One of the most remarkable devices presently under development is the "fuel cell." This device converts chemical energy directly into electricity; LP-gas can be used as a fuel for this conversion. It is entirely possible that the electric power in tomorrow's homes will be supplied by natural or LP-gas fuel cells, and that the "all-gas house of tomorrow" will be completely free of power lines.

For the investor, the future development of the industry itself is even more fascinating than the projected new uses of the product.

During the first decade of this industry's growth, its principal problems were overcoming natural resistance to a new product and establishing a firm sales and distribution base. In addition, it was necessary to perfect a line of safe, efficient LP-gas appliances.

Because it was originally marketed as a cooking fuel, LP-gas sales per customer in those days were relatively limited. A company trying to increase

its sales had but two choices: It sought new customers or acquired smaller competitors, or both. The practice of following exploding populations into newly developed communities combined with the loss of some old customers as city gas mains were extended—tended to make LP-gas to some extent a migratory industry.

Today, the growth of the industry is no longer dependent on new customers alone. When a new appliance is added in a customer's home, the amount of gas he will buy is automatically increased. Use of gas by Suburban Propane's domestic customers has risen to 19.2 gallons per customers per month in 1955-59 from 8.9 gallons in 1935-39.

At the same time, of course, the growth of the industrial market for LP-gas has reduced the industry's dependence on a shifting domestic market. Within the next few years, the quantity of LP-gas used for farm and industrial purposes will exceed household requirements.

The ever-growing list of uses for LP-gas—in the home, on the farm, in industry and for transportation—already is having an impact on the structure of the companies operating in the industry. Today the industry seems to be headed for a second stage of growth. The LP-gas company of tomorrow is apt to be a fully-integrated company, operating gas wells, transporting the product to market and developing new applications.

Suburban Propane, the largest independent distributor of LP-gas with 500,000 customers, has already moved in this direction. At present one subsidiary manufactures a complete line of LP-gas appliances; another manufactures custom storage tanks and custom equips LP-gas trucks.

As a final link in the integration chain, Suburban Propane purchased its first producing property this year. By January 1962, a natural gasoline plant will have been completed and will be producing propane from natural gas obtained from the company's own wells. It is inevitable that the LP-gas company of the future will become more and more involved in transportation—including pipelines—and storage.

Entry into production and efficient transportation will give the large distributor greater control over the delivered cost of the product. The successful marketing of LP-gas for non-domestic uses will give Suburban Propane a balanced load, summer and winter. And lower costs resulting from all of these steps will make it possible to sell house heating, air conditioning and industrial fuel at competitive rates.

LP-gas is the perfect fuel. It can be used anywhere a man can walk. In many instances it is the only fuel that can be conveniently used. Often, as is the case with industrial trucks, it remains the preferred product even when priced higher than other fuels.

In less than 35 years LP-gas has become both a domestic tradition and a symbol of industrial progress. This is an industry which may rank with utilities as offering investors a unique combination of stability and growth.

TV Sales: Focus on Color

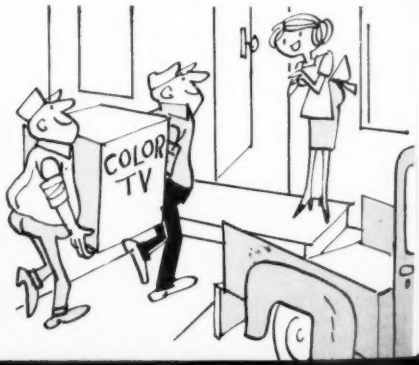
By PAUL SCOTT

ARE you thinking about rolling your old TV set into the bedroom and installing a brand new color receiver in the living room? If you're not, the manufacturers of television receivers are going all out to try to plant the idea in your mind this fall.

Not that black-and-white is fading from the TV picture. But the industry is making a mighty effort to lift TV sales off the plateau where they've roosted in recent years. And this year, the manufacturers have decided to give color another chance.

The problem of the industry is a simple one: The number of TV sets in use has edged close to the saturation point. Practically everyone who wants one has one. This means that TV makers now must concentrate on the replacement market and the multiple-set market—the growing number of

Mr. Scott is a financial writer who follows the TV industry closely.



families who can afford two cars, a summer home, a pleasure boat—and perhaps two or more TV sets. And in color, despite its high costs to the manufacturer and high price tag for the consumer, the billion-dollar industry thinks it sees the source of the vitality it sorely needs.

The Electronic Industries Association predicts consumer sales of more than 6.2 million TV sets of all kinds this year, up from just over 6 million last year and 5.8 million in 1959. The 1961 industry outlook for color sets seems insignificant by comparison—200,000 sets or more, according to some makers. But that represents a marked increase from the 150,000 sets sold in 1960 and 100,000 in 1959.

Until now, Radio Corp. of America, which in 1954 was the first to mass produce color sets, has done 95 per cent of the color business. Last year, the only companies to offer competing models were Admiral Corp., Magnavox Co., Emerson Radio & Phonograph Corp., Packard-Bell Electronics Corp., and Olympic Radio & Television division of Siegler Corp.

CLOSE-UP: Inspector checks phosphor dots on color TV tube.

INSIDE TV: RCA employe prepares to bond color tube face to funnel.

Since the first of the year, however, the field has doubled, as manufacturers who once had given up on color took note of rising sales.

This year's entrants include Zenith Radio Corp., General Electric Co., Philco Corp. (which might merge with Ford Motor Co.), Sylvania Electric Products, Inc., a subsidiary of General Telephone & Electronics Corp., and Warwick Manufacturing Corp., a subsidiary of Sears, Roebuck & Co. Four of these companies—GE, Philco, Sylvania and Warwick—are shrugging off their unhappy experience with color TV in its early days to reenter the competition.

Nearly all the major TV-makers swarmed into color after RCA brought out its 1954 set. But consumer resistance to high prices, the surrealistic tints which blurred across the screen, and too-frequent bills for mechanical adjustments weeded out all but RCA—which refused to abandon an investment that eventually was said to exceed $130 million.

Meanwhile, TV sales generally had crested and begun to ebb. From almost 2.7 million in 1949, unit sales had leaped to a record 7.5 million in 1955. But they fell as low as 5.2 million in 1958 before climbing again to the six-million-unit plateau. By the end of last year, nearly 88 per cent of the 53,280,000 households in the U. S. had TV sets. "The initial installation market is pretty well exhausted," says Frank W. Mansfield, Sylvania market research chief. "We can predict with a fair degree of certainty that TV saturation may ultimately settle down in the neighborhood of 90 per cent to 92 per cent."

The situation has paralleled the history of other consumer durables, such as refrigerators. The business recessions of 1957-58 and last winter helped convince homemakers they could make the old TV set last quite a while longer. All this has meant depressed earnings for those companies with heavy volume in TV and other home instruments and appliances.

It's impossible to pinpoint the exact effect of the TV market on profits, since many of the major producers are widely diversified. Some indication, however, can be gleaned from reports of companies with a large percentage of volume in TV and similar consumer items.

Motorola, for instance, has more than doubled its sales in the past 10 years—from $135.8 million in 1951 to $299 million last year. Yet, during the first eight years of that period, earnings made little progress and failed to hold the gains that were made. In 1951, Motorola earned $7.2 million. There was little change until 1955's $8.5 million—a record year for industry TV-unit sales—and then profits declined to $7.4 million in 1958—when industry sales dipped. The next year earnings jumped to $14 million, then dropped back to $12.6 million in 1960.

Emerson Radio's sales climbed steadily from $55.8 million in fiscal 1951 to $87.4 million in 1955, TV's banner year, but slipped back to $51.8 million in 1957. After a recovery to $67.4 million in 1959, volume fell again to $63.8 million last year. Net income drew an even more jagged line. From $3.6 million in 1951, it dropped to $1.9 million in 1954, moved ahead again to $2.5 million in 1955, then slumped to $81,852, on sales of $73.9 million, in 1956. After a rugged rise to $2.7 million in 1959, profits were off again, with sales, to $1.7 million in fiscal 1960.

These companies are involved in too many other projects to pin their ups and downs entirely on TV. But TV still is a bread-and-butter item, although one likely to be spread rather thinly in times of recession.

Some manufacturers, of course,

MASS PRODUCTION: To cut color TV prices sharply the industry needs a major technical breakthrough.

have driven upstream in the face of the trend, notably Zenith and Magnavox. These two have improved their lot to a large extent by stressing quality and higher-than-average prices.

Some general improvements in industry earnings have become noticeable as 1961 has moved away from last winter's retail softness.

During the years of TV-makers' ups and downs, the average number of sets per "TV home" has grown slowly but steadily. When this year began there were 1.15 sets for each of the 46,810,000 homes which had TV. And the replacement rate last year, according to the industry association, apparently was about 6.5 per cent of all sets in use.

TV makers have tried several methods of increasing sales. One was the lightweight, transistorized portable, which so far has made little impact on the market.

As the TV market has split into two distinct areas—low-priced portables and high-priced consoles, manufacturers have dropped list prices at the low end to boost volume and increased tags at the high end by offering luxurious cabinets in a wide variety of styles.

But it's color that the industry is banking on. And there are signs that the $500 minimum list price now in effect has been weakened by increased competition. Although the factory price hasn't changed, retailers appear willing to allow more on trade-ins and to offer higher discounts. On the other hand, there does not seem to be much prospect for a big reduction in prices unless a major technical breakthrough is scored which would cut the cost of the color tube.

RCA currently supplies all color picture tubes. But Paramount Pictures Corp. has developed a tube which it says can be made for less. Motorola has another picture tube which it says may not be cheaper, but will be more compact. List prices of color sets now range from $500 to $1,500, the most popular selling for about $800.

To shore up its stake in color-TV sets, RCA, through its National Broadcasting Co. subsidiary, plans a sharp rise in the number programs aired in color. NBC plans more than 1,600 hours of color telecasting this season, up from 1,034 last season and 724 the year before that. Thirty-seven local TV stations around the country have the equipment to originate live color TV shows, and 367 can relay network telecasts in color.

There still are major dissenters to the color boom. The Columbia Broadcasting System will offer only spotty color programming this season, and the American Broadcasting Co., a subsidiary of American Broadcasting-Paramount Theatres, Inc., plans none. Among manufacturers, Westinghouse and Motorola (despite its tube development) currently shun set production.

The new lines of color sets will get their hardest promotion during November and December, the biggest months of the year for TV sales. That's when the industry, now lagging slightly behind 1960 sales, hopes to make up lost ground.

The current attitude of the industry is summed up in the sentiments of one manufacturer: "Cautious but optimistic."

NEW LISTINGS...

Arizona Public Service Co., Phoenix, listed its 7,334,794 common shares ($2.50 par value) on the Exchange August 28. (Symbol: AZP.) Opening price was $41.

Incorporated in 1920, Arizona Public Service serves 10 of the 14 counties in the state, an area of approximately 40,000 square miles.

Arizona is one of the four leading states in rate of population growth, with the 1960 census reporting 1,302,161 residents, a 71 per cent gain over 1950. To meet the growing demand for electricity and gas in its service area, the company plans to spend about $237 million between 1961 and 1963 to expand its facilities.

Arizona Public Service has paid dividends on its common stock every year since its founding. The company has about 24,200 shareowners.

ARIZONA PUBLIC SERVICE CO.

Year	Operating Revenues	Net Income
1960	$74,183,000	$9,487,000
1959	63,156,000	7,878,000
1958	56,681,000	7,376,000
1957	50,345,000	6,563,000
1956	46,344,000	5,831,000

Year	Net Per Share*	Div. Per Share*
1960	$1.03	$0.60
1959	.96	0.60
1958	.94	0.59
1957	.90	0.56
1956	.85	0.51

Recent Price: 39¼; Yield: 1.5%
Price-Earnings Ratio: 38.1 to 1
* adjusted for 2-for-1 split in April, 1961

PACKAGING CORP. OF AMERICA†

Year*	Net Sales	Net Income
1961	$128,000,000a	$4,000,000a
1960	138,278,790	6,510,715
1959	127,670,865	6,528,183
1958	115,115,998	6,778,700
1957	122,151,194	8,325,348

Year*	Net Per Share	Div. Per Share
1961	$0.97a	$0.90
1960	1.64	1.00
1959	1.64	1.50
1958	1.71	1.50
1957	2.10	1.50

Recent Price: 20⅝; Yield: 4.4%
Price-Earnings Ratio: 21.3 to 1
* year ended June 30
a estimated
† pro forma to reflect merger of American Box Board Co. and Ohio Boxboard Co. into Central Fibre Products Co. to form Packaging Corp. of America

Packaging Corp. of America, Evanston, Illinois, was formed in July, 1959, through the merger of America Box Board Co. and the Ohio Boxboard Co. into Central Fibre Products Co.

Packaging Corp. listed its 3,957,741 shares of common stock ($5 par value) on the Big Board on August 29 (symbol: PKG). Opening price was $22.50. The company has about 10,000 shareowners and has declared cash dividends quarterly since October, 1941.

The merger made the company one of the largest and most diversified producers of pulp and paperboard in the U.S. The company ranks as the tenth largest manufacturer of corrugated paperboard in the U.S., the second largest maker of folding cartons, and is one of the biggest producers of molded paper products used in the poultry and egg industry. An acquisition earlier this year enabled Packaging Corp. to establish a plastics division.

Electric Bond & Share Co., New York, listed its 5,250,357 common shares on the "Big Board" on September 6. (Symbol: EBS.) Opening price was $34.25.

The New York-based closed-end investment company had assets of almost $187.5 million as of June 30, including a controlling interest in American & Foreign Power Co. and several other industrial concerns, as well as a diversified portfolio of marketable securities.

Bond & Share's 53 per cent interest in Foreign Power had a market value of $43 million at June 30, or 23 per cent of Bond & Share's net assets. Foreign Power, which until recently was exclusively a utility operating in eight Latin American nations, has embarked on a program of converting to non-utility operations.

Bond & Share has about 31,000 shareowners.

ELECTRIC BOND & SHARE CO.*

Year	Net Assets#	Net Assets Per Share#
1960	$154,835,300	$29.49
1959	159,129,200	30.31
1958	191,649,200	36.50
1957	148,561,400	28.30
1956	169,887,600	32.36

Year	Net Income	Div. per Share
1960	$6,300,516	$1.20
1959	7,527,068	1.35
1958	7,616,041	1.40
1957	7,672,336	1.36
1956	6,911,274	1.90

Recent Price: 32⅜; Yield: 3.7%

* Starting with 1961, EBS, in accordance with the Investment Company Act, has placed values on holdings for which there are no market quotations. This increased the value of its holdings by $16 million, or $2.95 a share, over the figure calculated on the former basis.

As of December 31

ALSIDE, INC.

Year*	Net Sales	Net Income
1960	$23,041,045	$1,602,537
1959	19,674,534	1,204,046
1958#	11,733,466	489,711
1957	12,208,352	728,340
1956	11,381,032	967,373

Year*	Net Per Share	Div. Per Share
1960	$0.86	$0.275†
1959	0.77	—
1958#	0.31	—
1957	0.47	—
1956	0.62	—

Recent Price: 29⅜; Yield: 1.9%
Price-Earnings Ratio: 34.2 to 1

* fiscal year ended Sept. 30

plant destroyed by fire, adversely affecting operating results

† indicated dividend rate for past 12 months is 55 cents a calendar year

Alside, Inc., Akron, listed its 503,430 common shares (no par value) on the Exchange September 11. (Symbol: ASD.) Opening price was $36.50. The company has about 2,700 shareowners.

One of the largest manufacturers of aluminum siding in the U.S., Alside was incorporated in Ohio in 1947. In addition to siding, Alside makes a wide variety of related aluminum accessories.

Alside products are sold under the brand names of Alside, Aluma-King and Lifewall. All of the company's products are sold under each of the brand names in 14 different colors.

Alside recently formed a subsidiary to offer "all-aluminum" mass produced, fully-finished homes. The homes will include all utilities and fixtures and will be offered in several designs. Earlier this year Alside also entered the field of financing the purchase of building materials.

McNEIL MACHINE & ENGINEERING CO.

Year	Net Sales	Net Earnings
1960	$58,223,050	$4,867,840
1959	37,771,251	3,531,432
1958	30,878,789	2,045,965
1957	43,288,636	3,354,363
1956	36,410,268	3,073,733

Year	Net Per Share	Div. Per Share
1960	$3.88	$1.00
1959	2.84	0.90*
1958	1.65*	0.85*
1957	2.78*	0.95*
1956	2.54*	0.75*

Recent Price: 35¼; Yield: 2.8%
Price-Earnings Ratio: 9.1 to 1
* adjusted for 2-for-1 split in July, 1959

McNeil Machine & Engineering Co., Akron, is engaged in the manufacture of a wide variety of products ranging from tire curing presses to water pumps and air conditioning equipment.

Rubber vulcanizing presses accounted for 40 per cent of McNeil's sales in 1960, and the company has for many years been the major producer of all the tire and tube curing presses made in this country.

McNeil's manufacturing units include: Cleveland Crane, maker of heavy overhead cranes and heavy duty metal working machines; Hamlin Metal Products, manufacturer of commercial metal stampings; Lincoln Engineering, producer of lubricating equipment for gasoline stations; and F. E. Myers & Bro., a major manufacturer of pumps as well as air conditioning equipment.

McNeil listed its 1,364,319 common shares (no par value) on the Exchange September 12 (symbol: MME). Opening price was $39. McNeil has about 4,900 shareholders.

North American Coal Corp., Cleveland, a major bituminous producer, listed its 1,589,603 common shares ($1 par value) on the Exchange on September 13. (Symbol: NCO.) Opening price was $18⅜. The company has about 2,100 shareowners.

The company operates bituminous mines in Ohio, West Virginia and Pennsylvania and a lignite mine in North Dakota. Lignite is a type of coal between peat and bituminous.

The nature of the bituminous coal industry has changed sharply in the past decade, and electric utilities are now the dominant factor in the business. In 1960, utilities consumed 67 per cent of North American's output.

In a new venture, the company is constructing a $2 million plant in Ohio to recover high purity and standard grade alum ores produced in coal mining operations and now handled as waste material. Alum is the raw material used in the production of aluminum.

NORTH AMERICAN COAL CORP.

Year	Total Income	Operating Net Income
1960	$29,130,058	$1,065,460#
1959	34,789,992	660,547#
1958	39,650,787	890,702
1957*	44,785,009	1,794,504
1956*	36,694,317	1,369,303

Year	Operating Net Per Share a	Div. Per Share a
1960	$0.67	$0.60
1959	0.42	0.60
1958	0.61	0.60
1957*	1.22	0.60
1956*	1.21	0.20

Recent Price: 18; Yield: 3.3%
Price-Earnings Ratio: 26.9 to 1
* year ended April 30
# excluding special charges for losses on sale of abandoned properties
a adjusted for 10-for-1 split in June, 1956

THE "BIG BOARD" IS BIG

THERE are many reasons why the New York Stock Exchange has won the appelation the "Big Board."

Trading on the Exchange accounts for almost 85 per cent of the dollar volume and 70 per cent of the share volume of all exchanges in the U. S. At the end of 1960 the market value of the shares listed on the Exchange totaled $307 billion while the value of the stock traded last year came to $38 billion.

Part of the magnitude of the "Big Board" is the significant role listed companies play in the economy of the nation. There is virtually no industry in which "Big Board" companies are not major factors.

At the close of last year there were about 1,100 domestic companies with common stock traded on the Exchange, or roughly two per cent of all public and private corporations. Yet these same 1,100 corporations employed about one out of every five persons in the labor force. They had combined assets in excess of $300 billion, approximately 30 per cent of all the capital invested by private business—or about $2,000 for each man, woman and child in the U. S. Their sales and revenues amounted to almost $300 billion; after tax profits came to approximately $17 billion, and dividend payments to common and preferred holders added up to around $10 billion.

The figures in the accompanying table include data for 22 foreign corporations listed on the Exchange.

SELECTED STATISTICAL DATA FOR ALL COMPANIES HAVING COMMON STOCK LISTED ON THE NEW YORK STOCK EXCHANGE

—(Dollar figures in millions)—

	1958 (1)	1959 (1)	1960 (1)
Number of Companies	1,082	1,089	1,121
Estimated number of employes (2)	13,500,000	14,100,000	14,500,000
Total assets	$293,172	$323,660	$337,388
Sales or Revenues	251,108	280,224	296,344
Profits before income taxes	25,719	32,256	31,718
Income taxes (3)	11,071	14,452	14,301
Profits after taxes	14,648	17,804	17,417
Preferred dividends	430	434	437
Available for common stock	14,218	17,370	16,980
Common dividends	8,893	9,493	10,016
Ratio of:			
Profits after taxes to sales/revenues:	5.8%	6.4%	5.9%
Income taxes as a % of pre-tax profits	43.0%	44.8%	45.1%
Common dividend payout rate:	62.5%	54.7%	59.0%

(1) includes some fiscal years ending in the succeeding year.
(2) includes some foreign employes.
(3) includes some foreign and state taxes.

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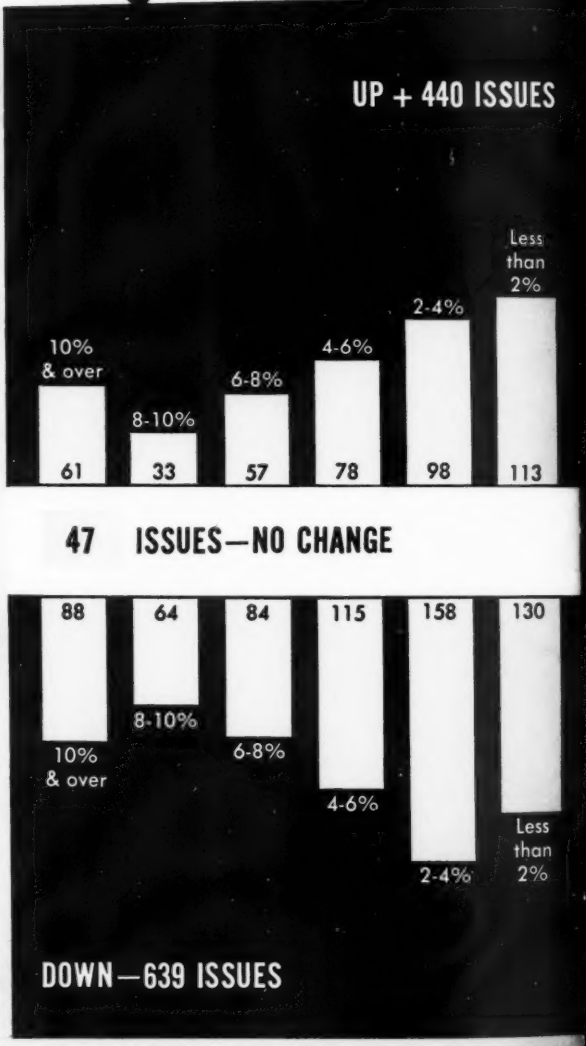
CHANGES IN PRICES OF LISTED COMMON STOCKS

Distribution of 1,126 NYSE Issues By Percentage Price Change in Month Ended SEPTEMBER 15,1961



DOW-JONES
65 - STOCK AVERAGE

Aug. 15	236.43
Sept. 15	239.32
Change	+1.2%

STANDARD & POOR'S
500 - STOCK INDEX

Aug. 15	67.55
Sept. 15	67.65
Change	+0.1%

61

SUES

Less
than
2%

113

130

Less
than
2%